

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

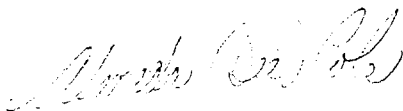
Notice FC-116

1910-A, 1940-G, 1980-B

For: State and County Offices

Continuous AD-1026 Certification Update

Approved by: Acting Deputy Administrator, Farm Loan Programs



1 Overview

A

Background

According to FmHA Instruction 1940-G, Exhibit M, AD-1026 is required for each crop year if highly erodible land, wetland, or converted wetland is present.

AD-1026 is required for a complete Farm Loan Programs loan application, according to FmHA Instruction 1940-G, Exhibit M; FmHA Instruction 1910-A; and FmHA Instruction 1980-B, and loan servicing application according to FmHA Instruction 1951-S.

B

Purpose

This notice:

- includes both direct and guaranteed loan applications
 - informs offices about:
 - a change in submitting and filing AD-1026, AD-1026U, and NRCS-CPA-026E
- Note:** SCS-CPA-026 has been obsoleted.
- what action needs to be taken when reviewing FSA producer files.

Disposal Date

March 1, 1998

Distribution

State Offices; State Offices relay to County Offices

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2 Changes in Submitting and Filing AD-1026, AD-1026U, and NRCS-CPA-026E

A

Requirement Change for AD-1026 and AD-1026U

AD-1026 and AD-1026U were revised as of April 17, 1996, to serve as a continuous certification and agreement for subsequent crop years. A new AD-1026 or AD-1026U is no longer required for a complete application, unless AD-1026 or AD-1026U in the producer file is not a continuous form or changes have occurred in the operation since the prior year's AD-1026 or AD-1026U.

This change applies to guaranteed loan applications as well as direct loan applications and servicing applications. Lenders originating guaranteed loans should be advised of this change.

B

Additional Changes

Copies of NRCS-CPA-026E and AD-1026 are no longer required to be placed in the borrowers' case files when these forms are available in the FSA producer files.

3 Action

A

County Office Action

When reviewing FSA producer files, County Offices shall:

- check the producer files to determine whether the forms are continuous and up-to-date, according to this notice

Note: If the forms are not continuous and up-to-date, notify the borrower, or lender for guaranteed loans, that the application is not complete until AD-1026 is updated.

- annotate in the running record that the FSA producer files were used to check the forms
 - document on environmental assessments that the FSA producer files were used.
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3 Action (Continued)

B

State Office Action

State Offices shall check on the accessibility of the FSA producer files to the personnel servicing Farm Loan Program case files before using them on a Statewide basis.

C

Contact

If there are questions about this notice:

- County Offices shall contact the State Office
 - State Offices shall contact either Kathleen Miller or Galen VanVleet, LMD, through the Area Office.
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D

Obsolete Material

Notice FC-97 is obsolete.
